

AMENDED IN SENATE APRIL 2, 2014

**SENATE BILL**

**No. 1409**

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**Introduced by Senator Hill**

February 21, 2014

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An act to amend Section ~~451~~ 311.5 of, and to add Section 731 to, the Public Utilities Code, relating to ~~public utilities~~ the Public Utilities Commission.

LEGISLATIVE COUNSEL'S DIGEST

SB 1409, as amended, Hill. Public ~~utilities~~ ~~rates~~. *Utilities Commission: publicly available information: fixing of rates.*

*The California Constitution establishes the Public Utilities Commission with regulatory authority over public utilities and authorizes the commission to establish its own procedures, subject to statutory limitations or directions and constitutional requirements of due process. The Public Utilities Act requires the commission to publish and maintain certain documents and information and make specified materials available on the commission's Internet Web site.*

*This bill would require the commission to publish and maintain on its Internet Web site a succinct description of each safety investigation pending before the commission or concluded during the prior calendar year by the commission and require that the description include the reason for the investigation, the facility type involved, and the owner of the facility.*

*The California Constitution authorizes the commission to fix the rates and charges for every public utility, while the Public Utilities Act requires that those rates and charges be just and reasonable and, with certain exceptions, prohibits a public utility from changing any rate,*

*except upon a showing before the commission and a finding by the commission that the new rate is justified.*

*The Public Utilities Act requires the commission to investigate the cause of all accidents occurring upon the property of any public utility or directly or indirectly arising from or connected with its maintenance or operation, resulting in loss of life or injury to person or property and requiring, in the judgment of the commission, investigation by it, and authorizes the commission to make any order or recommendation with respect to the investigation that it determines to be just and reasonable.*

*If the commission opens an investigation into the cause of an accident resulting in loss of life or injury to person or property, this bill would require that the commission not recognize as being just and reasonable any expenditure by a public utility related to any final judgment, arbitration award, compromise, or other settlement related to the event under investigation before the commission completes its investigation.*

~~Existing law authorizes the Public Utilities Commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires a public utility to furnish and maintain adequate, efficient, just, and reasonable service; instrumentalities, equipment, and facilities as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.~~

~~This bill would make nonsubstantive revisions in these provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     *SECTION 1. Section 311.5 of the Public Utilities Code is*
- 2     *amended to read:*
- 3     311.5. (a) (1) Prior to commencement of any meeting at which
- 4     commissioners vote on items on the public agenda the commission
- 5     shall make available to the public copies of the agenda, and upon
- 6     request, any agenda item documents that are proposed to be
- 7     considered by the commission for action or decision at a
- 8     commission meeting.
- 9     (2) In addition, the commission shall publish the agenda, agenda
- 10    item documents, and adopted decisions in a manner that makes
- 11    copies of them easily available to the public, including publishing

1 those documents on the Internet. Publication of the agenda and  
2 agenda item documents shall occur on the Internet at the same  
3 time as the written agenda and agenda item documents are made  
4 available to the public.

5 (b) The commission shall publish and maintain the following  
6 documents on the Internet:

7 (1) Each of the commission's proposed and alternate proposed  
8 decisions and resolutions, until the decision or resolution is adopted  
9 and published.

10 (2) Each of the commission's adopted decisions and resolutions.  
11 The publication shall occur within 10 days of the adoption of each  
12 decision or resolution by the commission.

13 (3) The then-current version of the commission's general orders  
14 and Rules of Practice and Procedure.

15 (4) *A succinct description of each safety investigation pending*  
16 *before the commission or concluded during the prior calendar*  
17 *year by the commission. The description shall include the reason*  
18 *for the investigation, the facility type involved, and the owner of*  
19 *the facility.*

20 ~~(4)~~  
21 (5) Each of the commission's rulings. The commission shall  
22 maintain those rulings on its Internet Web site until final  
23 disposition, including disposition of any judicial appeals, of the  
24 respective proceedings in which the rulings were issued.

25 ~~(5)~~  
26 (6) A docket card that lists, by title and date of filing or issuance,  
27 all documents filed and all decisions or rulings issued in those  
28 proceedings. The commission shall maintain the docket card until  
29 final disposition, including disposition of any judicial appeals, of  
30 the corresponding proceedings.

31 *SEC. 2. Section 731 is added to the Public Utilities Code, to*  
32 *read:*

33 *731. If the commission opens an investigation pursuant to*  
34 *Section 315, the commission shall not recognize as being just and*  
35 *reasonable any expenditure by a public utility related to any final*  
36 *judgment, arbitration award, compromise, or other settlement*  
37 *related to the event under investigation before the completion of*  
38 *the investigation by the commission.*

39 ~~SECTION 1. Section 451 of the Public Utilities Code is~~  
40 ~~amended to read:~~

1     ~~451. (a) All charges demanded or received by any public~~  
2     ~~utility, or by any two or more public utilities, for any product or~~  
3     ~~commodity furnished or to be furnished or any service rendered~~  
4     ~~or to be rendered shall be just and reasonable. Every unjust or~~  
5     ~~unreasonable charge demanded or received for that product or~~  
6     ~~commodity or service is unlawful.~~

7     ~~(b) Every public utility shall furnish and maintain adequate,~~  
8     ~~efficient, just, and reasonable service, instrumentalities, equipment,~~  
9     ~~and facilities, including telephone facilities, as defined in Section~~  
10    ~~54.1 of the Civil Code, as are necessary to promote the safety,~~  
11    ~~health, comfort, and convenience of its patrons, employees, and~~  
12    ~~the public.~~

13    ~~(c) All rules made by public utility affecting or pertaining to its~~  
14    ~~charges or service to the public shall be just and reasonable.~~